



To enhance mission performance, TSA is committed to promoting a culture founded on its values of Integrity, Innovation and Team Spirit.

1. **PURPOSE:** This directive provides TSA policy and procedures for collecting debts owed to TSA. This MD is separate and distinct from [TSA MD 1000.4, Waiver of Employee Indebtedness](#), which provides TSA policy and procedures for waiver of employee indebtedness to the TSA resulting from erroneous payment of pay and allowances or erroneous payment of travel and transportation allowances.
2. **SCOPE:** This directive applies to all TSA organizational components.
3. **AUTHORITIES:**
 - A. Title 31, United States Code, sections 3701 – 3720E
 - B. Title 31, Code of Federal Regulations, Parts 900 – 904 (31 CFR, Parts 900-904)
 - C. Title 6 CFR, Part 11
4. **DEFINITIONS:** None.
5. **RESPONSIBILITIES:**
 - A. The Assistant Administrator for Finance and Administration/Chief Financial Officer (CFO) is responsible for establishing a comprehensive debt collection program across TSA.
 - B. The Office of Human Capital (OHC) is responsible for collecting debts owed due to salary and benefit overpayments to present or former TSA employees.
 - C. The Office of Chief Counsel (OCC) is responsible for:
 - (1) Providing advice and guidance on debt collection procedures; and
 - (2) Forwarding unpaid civil penalty information to the United States Coast Guard Finance Center (FINCEN) for debt collection.
 - D. The Director of the Office of Revenue is responsible for:
 - (1) Collecting fees; and
 - (2) Compromising, suspending collection on, or terminating claims of the United States; waiving interest, penalties and administrative costs; and entering into installment plans not to exceed one year in duration on any claim related to fee collection.

E. The Director of the Office of Financial Management (OFM) is responsible for:

- (1) Coordinating, and to the extent practicable, standardizing aggressive and timely action to collect debts due to TSA, including employee indebtedness;
- (2) Ensuring, in consultation with the Office of Chief Counsel, that the requirements of the applicable debt collection authorities are met;
- (3) Collecting or otherwise coordinating the collection of debts not otherwise addressed in this directive; and
- (4) Compromising, suspending collection on, or terminating claims of the United States; waiving interest penalties and administrative costs; and entering into installment plans not to exceed one year in duration.

6. POLICY:

- A. Debts will be aggressively collected in accordance with the provisions of 31 CFR Parts 900-904 and 6 CFR Part 11. The standards found in those authorities for compromising, suspending, or terminating debt, for waiving interest, penalties and administrative costs, and for entering into installment plans, will be strictly observed.
- B. The Director of OFM and, to the extent related to the collection of fees, the Director of the Office of Revenue may compromise, suspend, or terminate debt, waive interest, penalties and administrative costs, or enter into installment plans not to exceed one year in duration. Debts over \$10,000 may be compromised, and collection activity on debts over \$10,000 may be suspended or terminated, only with the concurrence of the Office of Chief Counsel.
- C. The CFO may enter into installment agreements that exceed one year in duration.
- D. The authorities to compromise, suspend, or terminate debt; to waive interest, penalties and administrative costs; and to enter into installment plans, as described in this directive, are not further delegable, except by the CFO with the express written consent of the DHS CFO.

7. PROCEDURES:

- A. Debt collection procedures will be in accordance with the provisions of 31 CFR parts 900-904 and 6 CFR part 11.
- B. Requests to compromise, suspend, or terminate debts, to waive interest, penalties and administrative costs, or to enter into installment plans of one year or less must be forwarded by the affected Assistant Administrator or their designee to the Director of OFM. The Assistant Administrator or their designee may include a recommendation to approve or deny the request in the package forwarded to OFM.
- C. The Director of OFM may exercise his or her discretion, in accordance with applicable regulations, to waive interest, penalties and administrative costs, or enter into installment plans

not to exceed one year. If the Director of OFM recommends approval of an installment agreement exceeding one year in duration, the Director will forward the request to the CFO for approval.

8. **EFFECTIVE DATE AND IMPLEMENTATION:** This policy is effective immediately upon signature.

APPROVAL

Signed

4/3/2009

David R. Nicholson
Assistant Administrator for Finance and
Administration/Chief Financial Officer

Date

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